

EXHIBIT B

Historically

THE TRUTH ABOUT FRIVOLOUS TA ARGUMENTSJanuary 1, 2010

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United States v. Collins, 920 F.2d 619, 629 (10th Cir. 1990), cert. denied, 500 U.S. 950 (1991) the court found defendant's argument that the Sixteenth Amendment does not authorize a direct, non-apportioned tax on United States citizens similarly to be "devoid of any arguable basis in law."

In re Becraft, 885 F.2d 547 (9th Cir. 1989) the court affirmed a failure to file conviction, rejecting the taxpayer's frivolous position that the Sixteenth Amendment does not authorize a direct non-apportioned income tax.

Lovell v. United States, 755 F.2d 517, 518 (7th Cir. 1984) the court rejected the argument that the Constitution prohibits imposition of a direct tax without apportionment, and upheld the district court's frivolous return penalty assessment and the award of attorneys' fees to the government "because the taxpayers' legal position was patently frivolous." The appeals court imposed additional sanctions for pursuing "frivolous arguments in bad faith."

Broughton v. United States, 632 F.2d 706 (8th Cir. 1980), cert. denied, 450 U.S. 930 (1981) the court rejected a refund suit, stating that the Sixteenth Amendment authorizes imposition of an income tax without apportionment among the states.

United States v. Hockensmith, 104 A.F.T.R.2d 2009-5133, 2009 WL 1883521 (M.D. Pa. Jun. 30, 2009) the court rejected the taxpayer's arguments that no law created an income tax and that the taxpayer was outside the government's taxing authority. The court held that the Sixteenth Amendment allows for the taxation of income and eliminates the requirement for apportionment among the states.

Maxwell v. Internal Revenue Service, 2009 WL 920533, 103 A.F.T.R.2d 2009-1571 (M.D. Tenn. Apr. 1, 2009) the court found that the taxpayer's arguments to have been "routinely rejected," principally that there is no law that imposes an income tax nor is there a non-apportioned direct tax that could be imposed on him as a supposed non-citizen.

Stearman v. Commissioner, T.C. Memo. 2005-39, 89 T.C.M. (CCH) 823 (2005), aff'd, 436 F.3d 533 (5th Cir. 2006), cert. denied, 547 U.S. 1207 (2006) the court imposed sanctions totaling 25,000 against the taxpayer for advancing arguments characteristic of tax-protester rhetoric that has been universally rejected by the courts, including arguments regarding the Sixteenth Amendment. In affirming the Tax Court's holding, the Fifth Circuit granted the government's request for further sanctions of 6,000 against the taxpayer for maintaining frivolous arguments on appeal, and the Fifth Circuit imposed an additional 6,000 sanctions on its own, for total additional sanctions of 12,000.

